Fargo Citywide Master Plan for Growth

Kitchen Table Conversation #1



The City of Fargo is developing a new Citywide Master Plan for Growth in 2023-24 to update the community's vision for growth and development. To aid in the creation of the plan, the project's Advisory Committee members and other stakeholders are being asked to engage the community in small, informal group discussions—or 'kitchen table conversations'— that require participants to think about and react to scenarios designed by the City's planning consultant (czbLLC).

While the scenarios are hypothetical, they are designed to seed conversations about issues and choices that Fargo and the region are likely to confront in the coming decades. Understanding why members of the Fargo community might say "yes" or "no" to the tradeoffs presented by each scenario will help to ensure that the new growth plan reflects community values.

Note to conversation conveners: Assemble a small group of your choosing and schedule a 60-to-90-minute discussion centered on the three hypothetical scenarios presented on the following pages. Read the proposals and consider the implications. <u>Do not focus on the math at this stage, just the implications for planning and the guidance a growth plan might provide future commissioners making decisions in response to such proposals.</u>

For each scenario, take careful notes on the following:

- How do conversation participants react, in general, to the proposals in the scenario?
 What about each scenario evokes the highest levels of approval or disapproval?
 Agreement or disagreement?
- How many participants would vote "Yes" for the scenario and how many would vote "No." What reasons are given for these votes?

COMPLETION TARGETS: Each team of conversation conveners should aim to have their conversations completed by <u>May 15, 2023, and to submit notes to the project consultants</u> <u>by May 22nd.</u>

Hypothetical Scenario #1

Wind farming along the North River combined with cloud computing storage and wind farm data processing in West Fargo

Summary: Should Fargo annex lands north of the city to enable a wind farm that will produce 400MW of clean power for the city, employ 125 people and, at the same time, work with West Fargo to enable an Amazon data center employing 40 people?

What is proposed? What would be gained?

Basin Electric Power Cooperative (BEPC) and its partners at GE, Amazon, and Clipper Windpower of Iowa have come together to form FWFC (the Fargo Wind Farm Collaborative). They propose to invest \$200 million to develop a wind farm. In tandem with Amazon, BEPC proposes to construct an Amazon Web Services Data Center in West Fargo.

Specifically, the Fargo Wind Farm Collaborative proposes to:

- Pay fair market value for 1,100 acres along the North River north of the airport (\$30 million) and, consistent with FAA rules, install 200 2MW turbines. When operational, the turbines will produce enough power to cover 100% of Fargo's and West Fargo's current residential electricity needs.
- Construct a \$30 million turbine manufacturing facility on site that would employ 125 mechanics, engineers, and support staff at an average salary of \$90,000.
- Provide 100% of the power needed by Amazon for its proposed 60-acre cloud computing storage facility on 40th Avenue West in West Fargo.

Amazon proposes to:

• Construct, at its own expense, a 125,000 square-foot data center employing 40 engineers and customer services representatives at an average salary of \$60,000.

What must be given?

The Fargo Wind Farm Collaborative would need:

- The City of Fargo to annex the lands into the city, provide \$100 million in new water and other
 infrastructure to the facility at no cost to FWFC, and provide necessary land use and zoning
 permissions to entitle the wind farm as well as an estimated 1,000,000 square feet of retail at
 certain locations along and near Route 31.
- The City of Fargo to waive all commercial taxes and fees associated with the project for 20 years, an opportunity cost to the City of Fargo estimated to be \$50 million.
- The City of Fargo to be on record as supporting the project despite the impact on the migratory path of the endangered Whooping Crane.
- The City of Fargo to annex the preferred Amazon site from the City of West Fargo to enable the
 construction of the proposed data center which, in part, will handle computing needs of the
 wind farm. Or, alternatively, ensure that West Fargo will provide necessary land use and zoning
 permissions.

Amazon would need:

- Necessary land use and zoning permissions from either West Fargo or, via annexation, Fargo.
- Waiver of all commercial taxes and fees associated with the project for ten years, an opportunity cost estimated to be \$2 million to either Fargo or West Fargo.

Hypothetical Scenario #2

Open and recreational space preservation combined with necessary multi-jurisdictional collaboration

Summary: Should Fargo annex and help pay for the acquisition of large amounts of land west of the city to provide unparalleled open and recreational spaces for the public while also forming barriers to westward land development?

What is proposed? What would be gained?

A partnership has been established that is led by Ducks Unlimited North Dakota and includes ONX Hunt, Cabela's, Ford Motors, and The Nature Conservancy. They have made a proposal to Cass County, the City of Fargo, Reile's Acres, and the City of West Fargo to help purchase 12,000 acres north of I-94 and west of the river, and 20,000 acres west of West Fargo and south of I-94. Following the purchases, they would create a 50 square mile tract of public open space that would be placed in permanent conservation easement, thereafter comprised of roughly 25,000 acres of hunting preserves and more than 6,000 acres of parks and trails.

If the City of Fargo can build a coalition of jurisdictions to pay 25% (\$63 million) of the estimated \$250 million in acquisition costs, the partnership will pay the balance. The partnership has secured options for 90% of the lands it envisions for this endeavor. This would create a reserve three times the size of the Bluestem Prairie and four times the size of the Davis Ranch in central North Dakota.

Specifically, the Nature Conservancy proposes to:

• Function as the lead acquisition entity.

Ducks Unlimited ND proposes to:

- Create a social purpose vehicle (SPV) to own the new tracts of land and to financially support this SPV in perpetuity at an estimated cost of \$1 million/year.
- Pay 75% of the expected fair market value for the land to facilitate the purchase.

If all other steps are successfully taken, Cabela's proposes to:

 Open a state-of-the-art 150,000 square-foot Cabela's store just west of the West Fargo Municipal Airport.

What must be given?

Ducks Unlimited ND needs:

- The City of Fargo to spearhead the multi-jurisdictional collaboration to raise the \$63 million (or 25%) local share of the land acquisition costs.
- The County, the City of Fargo, Reile's Acres, and the City of West Fargo to collaborate on which jurisdiction will have final regulatory control of the lands.

Cabela's needs:

• The City of West Fargo to pay all site acquisition costs for its preferred 40-acre site north of 12th Ave NW, and for the City of West Fargo to pay all infrastructure costs associated with the development of the new Cabela's store and a mixture of supportive retail and services adjacent to the store.

Hypothetical Scenario #3

Conditional donor infusion to North Dakota State University

Summary: Should the City of Fargo government play an active role in boosting enrollment at NDSU?

What is proposed? What would be gained?

NDSU enrollment of full-time students has declined since 2014. Student enrollment as a percentage of the city's population has also declined every year since 2009.

Ardent Mills has proposed to invest \$25 million in NDSU's College of Agriculture as part of a larger partnership with the Pusa Institute of Technology in India. In return, NDSU must be able to enroll 500 tuition-paying students starting in 2026 and ensure housing is available off campus when appropriate.

Specifically, Ardent Mills and the Pusa Institute of Technology propose to:

- Enroll 400 undergraduate and 100 graduate students in NDSU's College of Agriculture each year for ten years, from 2026-2035.
- Pay full tuition for all 500 students, and room and board costs for all undergraduates living on campus.
- Pay fair market rents for the homes graduate students will rent off campus.

What must be given?

Ardent Mills and India's Pusa Institute of Technology need:

- The City of Fargo to annex and acquire 12 square miles of land west of West Fargo, from 168th St W to 165th St W, between SE 43rd and 32nd W, and sell it to NDSU for \$1; the land would be used as Ardent Mill's new wheat research facility.
- NDSU to provide on-campus housing for all undergraduates for all four years.
- The City of Fargo to acquire 50 single family homes within one mile of NDSU for graduate student housing for Indian students and their families, and identify an appropriate operating entity for the housing.